

WHAT'S LEFT TO SAY ABOUT AN HRA?

Hopefully you now know a lot more about a Health Reimbursement Arrangement (HRA) and how they work. A few things to keep in mind about the City's HRA plan are:

- Premiums for the plan are lower than the PPO Plan ***BUT*** the deductible and out-of-pocket maximums are quite a bit higher. Each member will need to look at their own personal situation to determine which plan works best for them and their family.
- The City funds \$750 dollars for individual only or \$ 1,500 for family toward deductible and out-of-pocket expenses.
- Unused HRA dollars can be carried over annually for a maximum of \$3,000 for employee only and \$6,000 for employee and child(ren), spouse, or family.
- Co-insurance is paid by the member at 20% until their out-of-pocket maximum is reached.
- The use of a flex account will work well with an HRA because dollars saved in this flex account can be used for medical expenses members may need to pay toward unreimbursed expenses.
- Co-Pays are not applied toward your deductible or out-of-pocket maximum.
- HRA money cannot be applied toward prescriptions.
- The cost of an Emergency Room visit is \$250. This co-pay is waived if the member is admitted to the hospital.

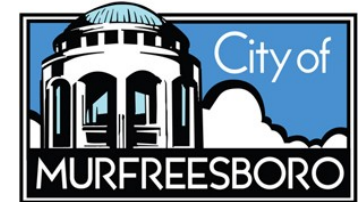
Look for more information in the coming weeks on benefits. In the meantime, if you have questions concerning an HRA plan, please send them to benefits@murfreesborotn.gov

SO WHAT'S AN HRA?

EMPLOYEE BENEFIT FLASH



200 YEARS
1811-2011



T E N N E S S E E

HRA — BENEFIT OPTION #2

SO WHAT CAN WE SAY ABOUT AN HRA?

A Health Reimbursement Arrangement (HRA) allows employers to set aside funds to help employees pay for out-of-pocket healthcare expenses. You don't make any contributions to an HRA, and you don't pay taxes on the HRA money you receive. Not all HRAs are set up in the same way. The City has elected to fund **\$750** for reimbursement to those employees who enroll in the Employee only HRA plan. The City will also fund **\$1,500** for reimbursement to those who enroll in an employee plus child (ren), spouse, or family plan. Expenses eligible for reimbursement include deductibles and co-insurance. This reimbursement is only available to employees who enroll in the HRA plan.

Enrolling in an HRA provides two major advantages to employees: (1) a reduced health insurance premium and (2) availability of employer dollars to pay for eligible medical expenses incurred.

Deductible & Co-insurance

All medical expenses made by the employee or the employee's family that require a deductible or co-insurance amount qualify for reimbursement. An



Explanation of Benefits (EOB) statement (provided by HealthSCOPE) is evidence that the ex-

pense qualifies for reimbursement and is typically required to verify requests for reimbursement. The chart to the right will give you a snapshot of the City's new HRA plan. It includes deductible and out-of-pocket maximum amounts along with some of the plan design benefits.

Employee monthly premium	HRA
Employee	\$72.69
Employee + child(ren)	\$130.84
Employee + spouse	\$152.65
Employee + family	\$232.61

HRA Plan	In-network	Out-of-network
Annual deductible individual	\$1,500	\$3,000
Annual deductible family	\$3,000	\$6,000
HRA contribution individual	\$750	N/A
HRA contribution family	\$1,500	N/A
Annual out-of-pocket maximum individual	\$3,000	\$6,000
Annual out-of-pocket maximum family	\$6,000	\$12,000
You Pay...		
Co-insurance	20%	50%
Office visits	\$20 co-pay	N/A
Office visit specialist	\$25 co-pay	N/A
**Preventive care	No cost	No cost
Diagnostic	20% after deductible	50% after deductible
Hospital care	20% after deductible	50% after deductible
Urgent care	\$35 co-pay	50% after deductible
Emergency room visit (ER)	\$250 co-pay	\$250 co-pay
Prescription drugs	30-day @ retail 90 day @ mail order	
Generics	\$10	N/A
Preferred brand	\$30	
Non-preferred brand	\$50	

****Only certain services apply.**